VZCZCXRO3677 OO RUEHCN RUEHGH DE RUEHIN #1676/01 3370805 ZNY CCCCC ZZH O 020805Z DEC 08 FM AIT TAIPEI TO RUEHC/SECSTATE WASHDC IMMEDIATE 0485 INFO RUEHBJ/AMEMBASSY BEIJING 8771 RUEHUL/AMEMBASSY SEOUL 9930 RUEHKO/AMEMBASSY TOKYO 0405 RUEHCN/AMCONSUL CHENGDU 2915 RUEHGZ/AMCONSUL GUANGZHOU 0028 RUEHHK/AMCONSUL HONG KONG 0225 RUEHGH/AMCONSUL SHANGHAI 2336 RUEHSH/AMCONSUL SHENYANG 6865 RUEAIIA/CIA WASHDC RHEFDIA/DIA WASHINGTON DC RHHJJAA/JICPAC HONOLULU HI RUEKJCS/SECDEF WASHINGTON DC RHHMUNA/USPACOM HONOLULU HI

C O N F I D E N T I A L SECTION 01 OF 03 TAIPEI 001676

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SUBJECT: DPP STRUGGLES TO GET BACK INTO THE POLITICAL GAME

REF: A. TAIPEI 1584 •B. TAIPEI 1603

Classified By: AIT Director Stephen M. Young, Reasons: 1.4 (b/d)

 $\P1.$ (C) Summary: In a recent meeting with the Director, several DPP elders argued that the Ma administration under President Ma Ying-jeou has reversed course on Taiwan's democratization, citing the clampdown on protesters during the early November visit of PRC official Chen Yunlin and an alleged judicial bias against opposition leaders. Such concerns reflect the opposition's frustration over the dramatic reduction in its political leverage since legislative and presidential election losses early this year. DPP officials lament that, although up to 40 percent of the population support the party, the DPP has almost no power in the legislature, let alone influence with the KMT administration. While DPP Chair Tsai Ing-wen hopes to rebuild the DPP into a more centrist party that can compete effectively with the KMT, former President Chen Shui-bian's recent detention on suspicion of corruption and his efforts to manipulate the DPP base will complicate Tsai's efforts to reform the party. The local elections in December 2009 will be a stiff test for the DPP under Tsai, but also for the KMT, which is currently mired in its own difficulties with economic and governance issues. End Summary.

KMT and Ma Endanger Taiwan and its Democracy

12. (C) By reintroducing the tactics used in authoritarian times, President Ma has taken Taiwan 20 years back in time, three DPP elders claimed in a recent meeting with the Director. The pervasive judicial bias against the DPP septel), in their view, and the clampdown on protesters during PRC Association for Relations Across the Taiwan Strait (ARATS) Chairman Chen Yunlin, s visit (ref A) were major setbacks to Taiwan's democratic development, argued Yao Chia-wen, Chang Chun-hsiung, and Lin I-hsiung. (Note: In addition to other positions, all three have served as DPP chairman or acting chairman). The elders suggested that the clampdown on the anti-Chen Yunlin protests reflected Ma's desire, in their opinion, to move toward unification with China. Ma's actions are making DPP supporters very nervous, they said, with some even voicing concerns there may not be another presidential election because Taiwan will already be unified in four years. Ma's actions are also leading to self-censorship in academia, Deep Green activist and Soochow

University Professor Lo Chih-cheng claimed to us recently. Lo explained his colleagues were unwilling to sign a joint position criticizing the Chen Yunlin visit and the police's excessive use of force against protesters because they feared doing so could damage their careers.

- ¶3. (C) DPP supporters argued that the corruption investigations of former President Chen Shui-bian (ref B) and the current County Magistrates of Chiayi and Yunlin Chen Ming-wen and Su Chih-fen, respectively, are being conducted in an unfair or humiliating manner. They point to the use of detentions during investigations to put pressure on potential defendants and witnesses, and the handcuffing even of the former president. (Note: Chen Ming-wen was released on bail on November 21, and Su was released after indictment on November 14. Chen Shui-bian remains in a Taipei detention center. All three held hunger strikes to protest their detentions.) DPP Director of International Affairs Lin Chen-wei told us he believed prosecutors have been leaking information to the media in order to shape judicial and public opinion, which would prevent Chen Shui-bian from getting a fair trial.
- 14. (C) Professor Lo claimed that unfair treatment stemmed from a pro-KMT judiciary that is in dire need of reform. He explained the KMT established the current judicial system and put in place judges, many of whom remain on the bench today and continue to be loyal to the KMT. In their own mind, Lo suggested, members of the judiciary are now doing what they believe is right by striking against the opposition. Lo predicted more detentions may be in the horizon and could

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include some DPP incumbent candidates for next year's local-level elections. While cases against the DPP camp continue to multiply, the DPP elders claimed there are more than 11 investigations involving KMT leaders (including KMT Chairman Wu Poh-hsiung and former Vice President Lien Chan) that have been placed on the backburner. (Note: We have no corroborating information on such investigations.)

DPP Casts Itself As Protector of Democracy and Sovereignty

- 15. (C) DPP leadership complaints about the KMT reflect the party's frustration with its diminished leverage, but may also help stir up base support for the party's campaign to return to power. The DPP feels left out of the political process, having little legislative clout and seemingly no way to challenge President Ma's policies other than through demonstrations. DPP frustration also stems from its inability to capitalize on Ma's low approval rating in public opinion polls. In this regard, the DPP demonstrations against Chen Yunlin had some negative effects, at least in the short term, as approval ratings for Ma rose 10 points from 24 percent in mid-October to 34 percent on November 18, while Tsai's fell from 37 percent to 20 percent, according to pro-KMT media polls. The detention of Chen Shui-bian probably also helped Ma's numbers. Realizing its weak political position, the DPP likely hopes to boost support by convincing the public that it, but not the KMT, is the party that can and will protect Taiwan's sovereignty and human rights.
- 16. (C) DPP supporters are also working to enlist international sympathy. DPP supporters have traveled to the United States and Europe to argue their case about alleged judicial bias and human rights abuses. Professor Lo also said that he and others are collecting evidence of violations of democratic rights to present to organizations such as Amnesty International.

Chair Tsai Ing-wen's Cautious Leadership

also must confront competing interests and divisions within the party. Tackling this challenge, Tsai sees her role as balancing the different forces within the party but not trying to become a dominant leader herself. This could cause some difficulties for Tsai down the road, if other senior party members look for the kind of forceful leadership they had in the past. Lin Chen-wei noted that DPP supporters remain quite divided over what course the party should take. For every party member who urges Tsai to launch more protest demonstrations or take a stronger stand on behalf of Chen Shui-bian, there are others who call on her to proceed cautiously. Claiming he is a victim of KMT political persecution, Chen Shui-bian has called on DPP supporters to rally on his behalf. Tsai, however, has been careful to keep her distance from Chen Shui-bian, not endorsing the former president but only speaking in general terms about faults of the judicial system and the need to protect human rights. She told the Director recently she is concerned that Chen may stir up more emotional turmoil among DPP supporters, especially after he is released from detention. (Note: Detainees in Chen's situation are normally released on bail after being indicted.)

18. (C) Lin Chen-wei labeled Tsai a "control freak" who likes to micro-manage work at party headquarters, but seeks to appease and build consensus among the senior party members rather than asserting her own will. Although Tsai has the authority to nominate DPP candidates for next year's local-level elections, she may be reluctant to act decisively where there is stiff competition among several potential candidates, such as in Tainan. DPP elders Yao and Lin credited Tsai with doing her best but worried she may not understand the party well enough or be tough enough to combat the KMT.

Comment

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19. (C) Tsai,s ability to steer the party to win more seats in next year's local elections will serve as a critical test for her leadership. The DPP already has named six candidates for the 2009 elections, including incumbent Yunlin County Magistrate Su Chih-fen, whose re-election prospects have been boosted by the outpouring of public sympathy in response to her detention and hunger strike. A second slate of nominations will be announced in mid-December, and DPP's Lin expects the process to be complete by the end of January. A good showing by the DPP in the local elections next December would probably make Tsai the front-runner to carry the party's standards in the 2012 presidential election. A bad showing would likely force her resignation and throw the party leadership struggle into a free-for-all.